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 YASUSHI CHIKAGAMI, RONALD CHWANG,  
 and Nominal Defendant  
 SILICON STORAGE TECHNOLOGY, INC..

UNITED STATES DISTRICT COURT

NORTHERN DISTRICT OF CALIFORNIA

In re SILICON STORAGE TECHNOLOGY,  
 INC., DERIVATIVE LITIGATION

Master File No. C06-04310 JF

**STIPULATION AND ~~PROPOSED~~ ORDER  
 REGARDING BRIEFING SCHEDULE**

This Document Relates To:

ALL ACTIONS.

WHEREAS, on February 12, 2007 the parties met in San Francisco in an attempt to informally resolve this litigation;

WHEREAS, on March 8, 2007 the Court granted the parties' stipulation to extend the time for all defendants to respond to the consolidated amended shareholder derivative complaint that was filed on October 30, 2006 (the "First Amended Consolidated Complaint") until May 1, 2007;

WHEREAS, on March 15, 2007 nominal defendant Silicon Storage Technology, Inc. ("SST") publicly announced that the Chair of its Audit Committee will conduct a voluntary review of its historical stock option grant practices covering the time from its initial public offering in 1995 through the current fiscal year;

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1 WHEREAS, it is not expected that this investigation will be concluded for several  
2 months;

3 WHEREAS, the Court presently has a Case Management Conference scheduled in this  
4 matter on May 11, 2007;

5 WHEREAS, the parties have agreed to continue the date of the Case Management  
6 Conference and respectfully request the Court to continue the hearing to August 10, 2007 at 10:30  
7 a.m.;

8 WHEREAS, after SST publicly announces the results of the investigation into the  
9 historical stock option grant practices, Plaintiffs intend to file a second amended consolidated  
10 complaint (the "Second Amended Consolidated Complaint"); and,

11 WHEREAS, the parties wish to preserve the resources of both the Court and the  
12 respective parties;

13 IT IS HEREBY STIPULATED by and between the undersigned:

14 1. Defendants shall have no obligation to respond to the First Amended Consolidated  
15 Complaint;

16 2. Plaintiffs shall have twenty-one (21) days after SST announces the results of the  
17 investigation to file a Second Amended Consolidated Complaint;

18 3. Defendants shall move to dismiss, or otherwise respond to, Plaintiffs' Second  
19 Amended Consolidated Complaint within twenty-eight (28) days of filing of Plaintiffs' Second  
20 Amended Consolidated Complaint;

21 4. Plaintiffs shall file any opposition to Defendants' motion(s) to dismiss within  
22 twenty-eight (28) days of filing of Defendants' motion(s) to dismiss;

23 5. Defendants shall file any reply to Plaintiffs' opposition within ten (15) days of  
24 filing of Plaintiffs' opposition; and

25 6. No later than August 3, 2007, the parties shall file with the Court a Joint Case  
26 Management Statement. In the event that, as of August 3, 2007, SST's review of its historical  
27 stock option grant practices covering the time from its initial public offering in 1995 through the  
28 current fiscal year is incomplete, the Statement shall include a report by Defendants of the then-

1 current status of SST's review of its historical stock option grant practices.

2 IT IS SO STIPULATED.

3 Dated: April 26, 2007

COOLEY GODWARD KRONISH LLP

4  
5 /S/

Aaron F. Olsen

6 ATTORNEYS FOR NOMINAL DEFENDANT  
7 SILICON STORAGE TECHNOLOGY, INC.  
AND THE INDIVIDUAL DEFENDANTS

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1 Dated: April 26, 2007

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2  
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COUNSEL FOR PLAINTIFF B. BAZARGANI

**ORDER**

PURSUANT TO STIPULATION AND FOR GOOD CAUSE SHOWN HEREIN, IT IS

SO ORDERED

DATED: 4/27/07

  
Judge of the U.S. District Court  
JEREMY FOGEL

538323 v1/SD